

M I N U T E S  
**SANDY CITY COUNCIL MEETING**  
Sandy City Hall - Council Chamber Room #211  
10000 Centennial Parkway  
Sandy, Utah 84070

MAY 24, 2005

Meeting was commenced at 7:06 p.m.

**PRESENT:**

**Council Members:** Chairman Scott Cowdell, Vice Chairman John Winder, Bryant Anderson, Chris McCandless, and Linda Martinez-Saville

**Mayor:** Tom Dolan (Excused to attend International Conference of Shopping Centers)

**Others in Attendance:** CAO Byron Jorgenson; City Attorney Walter Miller; Community Development Director Mike Coulam; Public Utilities Director Shane Pace; Public Works Director Rick Smith; Deputy to the Mayor John Hiskey; Police Chief Stephen Chapman; Fire Chief Don Chase; Parks & Recreation Director Nancy Shay; Administrative Services Director Art Hunter; Deputy Administrative Services Director Scott Bond; Director of Human Resources Brian Kelley; Assistant CAO Jamie Davidson; Assistant to the CAO Ryan Mecham; Management Analyst Korbin Lee; Council Office Director Phil Glenn; Council Office Manager Naleen Wright

**ABSENT/EXCUSED:**

Steve Fairbanks (excused, International Conference Shopping Centers), Dennis Tenney (personal business)

1. **OPENING REMARKS/PRAYER/PLEDGE:**

The Prayer was offered by Councilman John Winder, and the Pledge was led by Director of Administrative Services Art Hunter.

2. **CITIZEN(S) COMMENTS:**

a. None

**PUBLIC HEARING(S):**

3. **Open Sandy City Budgets for Fiscal Year 2005-2006**

Public Hearing to open the Sandy City Budget for the period of July 1, 2004, to June 30, 2005, to consider adopting the Sandy City Budget for the Fiscal Year beginning July 1, 2005, and ending June 30, 2006, including among other things, a General Fund Budget, a CDBG Block Grant Operating Fund Budget, a Capital Projects Budget, a Debt Service Budget, a Landscape Maintenance SID Budget, and various proprietary fund budgets of the city, and a schedule of fees and charges.

**DISCUSSION:** Deputy Administrative Services Director **Scott Bond** opened the public hearing by presenting an overview of the Sandy City Budget for the Fiscal Year beginning July 1, 2005, and ending June 30, 2006. (Specifically, the "Budget Summary" found in the budget book pages 5-39. See **Exhibit "A"**) He noted that many hours of work had been put into the budget preparation process. This work was spearheaded through the efforts of a Budget Committee, comprised of City Staff members representing nearly every City department. In addition, the City Administration and the City Council have held several strategic planning sessions wherein goals were set, and future organizational needs and objectives were identified.

To obtain citizen input into the City's operation, each year for the past 10 years, the City has commissioned the services of pollster Dan Jones & Associates to conduct a poll of 500 City residents, representing each quadrant of the City. Specially selected questions are used in the poll to obtain valuable citizen input regarding City services, streets, lighting, water services, waste collection, parks and recreation services, and police and fire service. The results of this poll are scrutinized and used to help each department re-evaluate its long-term and short-term goals.

In January, the City Administration and City Departments met to "<sup>1</sup>review and reaffirm our strategic course in preparation for FY2006. In reviewing our existing plan, it was unanimously determined that the City's number one priority was to continue the tradition of excellent core services, financial stability and lean operations."

The FY 2005-2006 Budget Goals and Initiatives were divided into the following categories:

- Continue the tradition of excellent core services, financial stability and lean operations.
- Continue economic development efforts sufficient to provide adequate commercial amenities and an adequate tax base.
- Preserve the neighborhoods as attractive and inviting places to live.
- Keep traffic moving smoothly and safely, and maintain roads in good repair.
- Provide park and green spaces for recreational activities and to beautify the City.
- Secure a supply of quality water adequate to satisfy needs for generations to come.
- Protect homes and businesses from flooding caused by storms.
- Help make streets and neighborhoods safe through adequate street lighting.
- Maintain City facilities that are assets to the community and employees.

Mr. Bond explained that the second purpose of this public hearing was to open the Sandy City Budget for the period of July 1, 2004 to June 30, 2005. Several funds transfers, some involving grant money, need to be made to close out last year's budget. These transactions include, but may not be limited to:

- 1) Urban Fishery Grant \$937,440 (a fishing pond to be located by the golf course)
- 2) Court Building Grant \$24,500 (x-ray metal detection devices)
- 3) Quarry Bend Park (gravel pit site) involving \$450,000 for the purchase of the land for a park; \$145,858 for park improvements; \$150,000 road connection costs (from Wal-Mart to amphitheater.
- 4) Payroll Management Fund \$85,222 (funds appropriated from the fund balance that have been set aside to cover vacation time due employees that may leave the City).
- 5) Transferring the Fleet Repair Fund from Risk Management to the Fleet's Repair Fund
- 6) Police Technology Grants Adjustments (vehicle maintenance)
- 7) Amphitheater Fund \$55,000 donation from Mereck Medico (money for ticket sales - Beach Boys concert)
- 8) Recreation Fund transfer \$10,000 (participation in recreation programs has dropped the past few years, but it is starting to turn around. We now have more participation than we planned on, and need a \$10,000 buffer for additional expenditures, if needed.

Mr. Bond explained that 74% of General Fund money comes from tax dollars. The proposed budget reflects an additional \$2.3 million in ongoing revenue to the General Fund. In addition to on-going revenue, we also expect one-time revenue of \$3.7 million. <sup>2</sup>"Aided by strong retail sales, growing telecommunication charges, modest fee increases and consistent property taxes the City intends to dedicate new revenue to a variety of on-going projects and capital programs identified as part of the strategic planning process." A property tax comparison chart provided within the proposed budget shows Sandy City as assessing the third lowest property taxes at 0.00184.

The public hearing was opened and closed, as there were no comments.

#### Council Discussion:

Bryant Anderson asked why a 6-1/2% water bill increase was being sought.

Public Utilities Director Shane Pace reminded the Council that the 6-1/2 % increase was part of the Sandy City Water Master Plan expansion involving both Sandy City and Metropolitan Water.

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<sup>1</sup> Mayor's 5/3/05 budget letter to the City Council.

<sup>2</sup> Tentative Annual budget FY 2005-2006

**Bryant Anderson** asked, "If the number of new employees proposed by Metro is decreased, could the 6-1/2% water increase be reduced?"

**Shane Pace** stated that the revenue from the 6-1/2% water increase has been anticipated in this year's Sandy City Water budget. Part of the increase is to meet the needs of our own water master plan, and the rest is the Metro Master Plan. This is the first real staffing plan we've seen from Metro, as it comes close to finishing its new capital projects. Shane Pace indicated that by the year 2011, we will probably have a cash flow problem, and may consider a property tax increase.

**Bryant Anderson** referenced page 22, of the 2006 budget. He stated that the revenue generated showed \$500,000 dollars more than the previous year. He said, "When we are talking about an optimistic future, the revenue for this year does not seem to be represented by this graph."

**Scott Bond** explained that the graph merely represents estimates. He said, "It is our policy to budget conservatively, even if our revenue is predicted to go up."

**Bryant Anderson** asked, "Where does the increased revenue go?"

**Scott Bond** responded that any excess revenue would be appropriated to the one-time Capital Projects fund.

**Bryant Anderson** asked where funds for the Quarry Bend Park are being allocated from.

**Scott Bond** explained that \$824,000 is allocated from the Storm Water fund, \$380,813 comes from money set aside for 94<sup>th</sup> South and 1300 East, and approximately \$150,000 from the RDA Civic Center South haircut money and innkeeper bond revenues. He stated that he could provide a more detailed analysis next week, if the Council would like him to.

**Art Hunter** further explained that when we did the two bond refundings, the Innkeeper Bond, and the 99 MBA Bond, the City received \$1.6 million dollars savings on the Innkeeper Bond, which we had subsidized with General Fund money. Therefore, we are paying back the City's General Fund. He explained that the City has to be careful how we spend haircut money. \$150,000 will be used to do the road at Quarry Bend Park (the city's portion).

**Bryant Anderson** commented that the Boyer Company had said they will be paying for their part of the road.

**Nancy Shay** commented that Boyer feels they don't really need this road. The City needs the road. There is really no nexus for their development, but Randy Sant is working that out with them. We are trying to get all the rough grading done while they have the big equipment at the site. That is why we set aside \$150,000.

**Bryant Anderson** asked, "How much do we have set aside for a future cultural arts facility?"

**Art Hunter** referenced page 153 of the budget. He stated that every year \$300,000 is put aside in that fund. We would switch the fund money around and use the County grant money (\$310,000) to pay the bond. We are keeping unencumbered money under budget #14035. We have over \$2.1 million in the fund, after we take money out to do the eastern part of that project. Randy Sant hasn't finished his negotiations with the Boyer Company, so we don't have firm numbers.

**Scott Bond** commented that the \$824,000 set aside in the Storm Water Fund will not be adequate to construct the detention basin at the Quarry Bend Park.

**Byron Jorgenson** commented, "We don't have anywhere near enough money to buy that ground. It will be a substantial expense to purchase this property, and we don't have funding set aside. That ground is not paid for."

**Bryant Anderson** stated that \$155,000 was budgeted for capital improvements at the courts facility. He asked, "Where does that money come from?"

**Scott Bond** responded that the \$155,000 was a one-time revenue source. It resulted from a surcharge we had from a couple of years ago.

**Bryant Anderson** stated that he would like to see the fund balance increased from 11.3% to 12%. He stated that he did not have a problem with increasing the amount of money the City funds for the Boys and Girls Club, but the proposed 60% increase seems too steep. He said he could support \$80,000 but not the full 60% increase.

**John Winder** asked for a copy of the compensation graph. (Brian Kelley to provide this.) He asked if the Telecommunication Tax was passed by the State Legislature, and if Questar was granted permission for their proposed rate increase.

**Scott Bond** stated that the Telecommunication Tax will not be discussed until the next legislative session. He stated that the Public Service Commission has not yet approved Questar's proposed rate increase.

**John Winder** stated that he would be meeting with the various City departments regarding his other questions.

**Scott Cowdell** asked if the compensation package included bonuses.

**Scott Bond** answered, "Yes." He said the bonus would be the same 1% that is given every year to qualifying employees.

**Byron Jorgenson** noted that those eligible employees that are "topped out" will get an increase equivalent to a merit increase.

**Scott Cowdell** suggested that the City should purchase property in some key areas of the City where development has yet to occur. Especially, where the new soccer stadium has been discussed. This will let the City be a "material player," and will allow more City input into what is developed. He noted that the City does own a little property near the Expo Center, which gives the City the opportunity to be a player in the future development at that site.

**Byron Jorgenson** responded that there were two parcels the City had looked at, but the asking price seemed too high a year ago. He agreed that the City should keep looking.

**Scott Cowdell** stated that he would like to see the gravel pit area developed all at one time, so that when it is done, we walk away with a finished product. He does not want the construction to be "pieced milled." While he understands that what the City has budgeted will not complete the parks and trails this year, he does not want to see this drag on and on. He would like to have a commitment to finish this project as soon as possible.

**Parks & Recreation Director Nancy Shay** reported that they hope to be signing contracts with Layton and ASWN soon. We are meeting weekly with them regarding the RFP (request for proposal). Most bids that have been submitted show that the work would be completed this Fall. It will be an eight acre design that will be going through the public hearing process in September or October. The fishery may be longer as we have to obtain permits for wet lands. The design for a park at Union Middle School is scheduled to go out for bid in September.

**Scott Cowdell** asked, "When Wal-mart and Lowes are done, will the parks and trails be completed at the same time?"

**Nancy Shay** indicated that they would be operational next July. The top park will be done sooner, but the 8 acre park has not yet been fully negotiated.

**Shane Pace** reported that they have awarded the bid for the detention basin for an 8 acre park. They are moving forward as fast as they can. The purchase price for the park property has not yet been settled.

**Scott Cowdell** noted that when the City purchased the property for Hidden Valley Park, we paid payments over a three year period. He wondered if we could arrange to do the same thing here.

**Byron Jorgenson** reported that Randy has been handling the negotiations. He stated that he would ask him to give the Council a report next week. He noted that the three year purchase plan on Hidden Valley park really helped the seller with taxes, and it helped the City to be able to make payments. He believes Boyer would be willing to work with us.

**Scott Cowdell** complimented Staff for the excellent job done to put this budget together. He stated that this year's format is much easier to understand and digest. Almost anyone could read and understand it. He said, "Great job! We applaud you for it."

**Administrative Services Director Art Hunter** explained that they need to tie the Impact Fee Public Hearing to the budget adoption process. On June 7<sup>th</sup>, Staff will have all the documents ready to pass the new budget for Fiscal Year 2006. He said they would prefer to adopt the budget after the Impact Fee hearing/study of May 31<sup>st</sup>.

**Bryant Anderson** stated that he had another five pages of questions to ask Staff about the budget. He said, "With regard to sales tax, do we not get point of sale population portions?"

**Art Hunter** responded, "Yes, it is a 50-50 split."

**Bryant Anderson** commented that when sales tax is distributed by just population, we only get 36 cents on the dollar. (Ref. Page 23) It was his concern that we are not getting our full share. He noted that the State Revenue and Taxation Committee is working on this issue and hope to work on it with the State Legislature this year.

**Bryant Anderson** commented that Policemen, in the past, were topped out at 15 years. Under the new plan, they will top out in 9 years. He asked, "What percentage of increase do we need to meet the top out point of other cities?"

**Brian Kelley** explained that by adjusting our pay schedule, it will make us more like other cities. By implementing this new structure we cannot go back eight years and put all officers' pay where they would have been. Realistically, this will not be done all in one year.

**Bryant Anderson** commented, "This problem didn't occur overnight." He asked about the relationship our wage and salary system has compared to other cities, and the fact that they bring their employees to the top of the pay scale in 8-9 years as compared to our 14.

**James Davidson** responded, "It is our goal to strive for the middle of the pack." The recommendation has been to try to work towards that goal. Departments have been given the ability to adjust specific salaries where they think it is merited.

**Bryant Anderson** asked, "What about directors' salaries?"

**James Davidson** reported that some department directors are compensated comparatively with other sister cities, but some of these same communities are talking about doing some adjustments. We may need to adjust too. It is a challenge to predict what eight sister cities will do with each classification.

**Byron Jorgenson** commented that on average, we are 2% above other sister city averages. Most of our directors have about 30 years' experience. Many sister cities have found people to head their departments who have just started out in their careers.

**Bryant Anderson** asked, "Do we need to raise our waste collection fees?"

**Scott Bond** stated that waste collection increases are not needed this year. He added that recycling revenue is predicted to rise substantially.

**Bryant Anderson** asked if money was budgeted for traffic calming.

It was explained that an additional \$10,000 has been appropriated in this year's budget for traffic calming.

**Bryant Anderson** asked if there was still a problem with metal contaminants in the water being taken from the Ontario Water Tunnel.

**Shane Pace** commented that we cannot release water into Jordannelle Reservoir without treating it first.

**Chris McCandless** asked for the level of toxicity found in the Ontario water.

**Shane Pace** indicated that he didn't know.

**Bryant Anderson** stated that he was concerned about public safety personnel. He asked, "Are we meeting the Fire Departments' needs?"

**Art Hunter** explained that when the Budget Committee went through all of the City departmental budgets, the main concern was the employees' compensation package. That has been the number one goal that we have focused on. We have put as much money as we can this year into employees' compensation packages.

**Fire Chief Don Chase** commented that his training budget has been increased. Risk Management will be paying \$10,000 from their department for a training need for the Fire Department. Additional training needs are also being met.

**Bryant Anderson** asked if we have a line item in the budget for the Sandy Corners area.

**Byron Jorgenson** stated that the Sandy Corners area was to be addressed by RDA funding. That has been tabled because of recent legislation. We cannot afford to put a line item in the budget for the Sandy Corners area unless RDA funds can be used.

**Bryant Anderson** stated that he understood that we don't have the money now for Sandy Corners, but felt the City needs to be thinking about a budget. He asked if EDA increment has been taken on the South Towne Ridge EDA.

**Art Hunter** responded, "Yes we started this year for the first time. (Ref. Page 223, \$447,828)

**Bryant Anderson** asked how much of a surcharge does the City receive on its traffic citations. He also wanted to know if the City sets the bail schedule.

**James Davidson** responded that \$32 dollars goes to the State of Utah, and \$6.42 of this surcharge goes to the City. There is a standard bail schedule followed that is set by the State of Utah.

**Bryant Anderson** asked how much money does the City receive from the State Gasoline Tax.

**Art Hunter** explained that State Road Funds generate 7% of General Fund revenue.

**Chris McCandless** referenced the information shown on pages 7 and 8 of the budget. He asked if a pie chart could be made and e-mailed to him regarding consolidated vs. general. He would like the pie chart to show what is growing and what is decreasing.

**Scott Bond** said he would look at this request.

4. **Alta Canyon Recreation Special Service District Budget Adoption 7:05 p.m. Hunter**  
**Public Hearing to open the Alta Canyon Recreation Special Service Budget for the period of July 1, 2004, to June 30, 2005, and to consider adopting the Alta Canyon Recreation Special Service District budget for Fiscal Year beginning July 1, 2005, and ending June 30, 2006. Copies of the proposed budget will be on file for public inspection in the office of the Sandy City Finance Director, 10000 South Centennial Parkway, Sandy, Utah from 8:00 a.m. until 5:00 p.m., Monday thru Friday. Interested persons are invited to appear at the public hearing or to file written comments with the Sandy City Recorder regarding adoption of the proposed budget.**

**DISCUSSION:** Administrative Services Director Art Hunter enumerated the following:

- 1) **We are not asking for a property tax increase this year.**
- 2) **The budget is getting tighter and tighter since we took over operations at the center. We need to take a very serious look at Alta Canyon's operating budget next year.**
- 3) **We need to replace the roof at the center as it leaks. Alta Canyon has set aside \$20,000 for this, but the actual cost will be around \$80,000 for a new roof and skylight. The City will put in the remaining \$60,000, so the roof can be fixed this year.**

- 4) **We want to make sure the Alta Canyon Recreation Center doesn't go over its operation budget as defined by State law. As a precaution, the City needs to put in an additional \$10,000 to give them some padding. (Ref. Resolution #05-51 C)**

**The public hearing was opened and closed, as there were no comments.**

**Council Discussion:**

**Councilman Chris McCandless** asked Mr. Hunter to further explain the comments found in the budget letter concerning a "strong economy". He asked if a study had been done to confirm these findings.

**Art Hunter** responded that financial indicators show that sales tax revenue is growing. This is good news, because this is our main source of revenue to operate the City. Sales are increasing, especially in the business sector, and the economy has shown a significant rebound.

**Scott Bond** added that the economy seems to be stabilized as compared to where we have been. He indicated that a study was not conducted. He emphasized that they try to be very conservative in their estimates.

**Chris McCandless** noted that memberships have decreased at the Alta Canyon Recreation Center. He suggested that the Dimple Dell Recreation Center has probably been a factor in this.

**Nancy Shay** stated that memberships have gone down this past year. She explained that we don't have a big winter time recreation space like the Dimple Dell Recreation Center does. Ms. Shay said, "We really need to expand the Alta Canyon Recreation Center."

**Chris McCandless** added that, "We need to have a quality establishment to draw customers."

**Scott Cowdell** commented that he felt we need to step-up and see what we can do to make the Alta Canyon Recreation Center more competitive. He noted that the Alta Canyon Recreation Center was the catalyst to get parks and recreation services going in the City. Mr. Cowdell felt it was time the rest of the City's residents pay the Alta Canyon Special Service District residents back, for the recreation amenities they built. He suggested that a study be done to see what needs to take place. The City could become a part owner and help with funding so the center would have amenities to compete.

**John Winder** stated, "We already had a study done."

**Nancy Shay** added that the ZAP tax could increase the revenue. She was not sure, however, if we can get any ZAP tax funding to make that happen.

**Bryant Anderson** stated that the Alta Canyon Recreation Center and park sit on a 40 acre parcel that cost \$1.43 million dollars. He said, "What a bargain!" Mr. Anderson noted that the center was a great amenity provided by tax paying citizens.

**At approximately 9:16 p.m., Bryant Anderson made the motion to recess City Council Meeting and convene into Redevelopment Agency Meeting; the motion was seconded by Chris McCandless.**

**City Council Meeting was reconvened at approximately 9:27 p.m., by a motion made by John Winder and seconded by Linda Martinez Saville.**

**\*\*\*CITY COUNCIL MEETING RECONVENED \*\*\***

**COUNCIL ITEMS:**

5. **Appointment: Board of Adjustment**  
**Resolution #05-05 M - providing the Council's advice and consent to the Mayoral appointment of a member to the Sandy Board of Adjustment.**

**MOTION: Chris McCandless made the motion to provide the Council's advice and consent to the**

**SECOND:** Mayoral appointment of Dave Winnie to the Sandy Board of Adjustment.  
Linda Martinez Saville

**VOTE:** McCandless- Yes, Saville- Yes, Tenney- Absent, Winder- Yes,  
Fairbanks- Absent, Anderson- Yes, Cowdell- Yes

**MOTION PASSED**  
5 in favor, 2 absent

6. Appointment: Planning Commission  
Resolution #05-06 M - providing the Council's advice and consent to the Mayoral appointment of a member to the Sandy Planning Commission.

**MOTION:** Chris McCandless made the motion to provide the Council's advice and consent to the Mayoral appointment of Darren Mansell to the Sandy Planning Commission.

**SECOND:** John Winder

**VOTE:** McCandless- Yes, Winder- Yes, Saville- Yes, Tenney- Absent,  
Fairbanks- Absent, Anderson- Yes, Cowdell- Yes

**MOTION PASSED**  
5 in favor, 2 absent

7. MAYOR'S REPORT:  
The Mayor was absent.

8. CAO'S REPORT:  
This report was given in Planning Meeting.

9. COUNCIL OFFICE DIRECTOR'S REPORT:  
This report was given in Planning Meeting.

10. OTHER COUNCIL BUSINESS:

- a. John Winder asked Staff to respond to the letter in the Council's packet regarding stucco.

Mike Coulam stated that he would provide a report to the Council in an upcoming meeting.

- b. Bryant Anderson thanked City Staff, and especially Rick Smith, for lending a hand to help find a solution for the road problem near Sego Lily and 2375 East. He believes we need to find a solution so we can help protect our citizens.

At approximately 9:38 p.m., Bryant Anderson made a motion to adjourn Council Meeting, motion seconded by Chris McCandless.

The content of the minutes is not intended, nor are they submitted, as a verbatim transcription of the meeting. These minutes are a brief overview of what occurred at the meeting.

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Scott L. Cowdell  
Council Chairman

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Naleen Wright  
Council Office Manager

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